

# **STATE PROPERTIES COMMITTEE MEETING**

**TUESDAY, JULY 21, 2009**

The meeting of the State Properties Committee was called to order at 10:05 a.m. by Chairman Kevin M. Flynn. Other members present were Robert Griffith representing the Rhode Island Department of Administration; Susan Urso representing the Rhode Island Department of Attorney General in the absence of Richard Woolley; Robert W. Kay and John A. Pagliarini, Jr., Public Members. Others in attendance were Anthony Paolantonio from the Rhode Island House of Representatives; Cara Sammartino from the Rhode Island Senate Fiscal Office; Michael Mitchell and John Ryan from the Rhode Island Department of Administration; Lisa Holley from the Rhode Island State Police; Paul Carcieri, Robert B. Jackson, Colleen Kerr, Susan Howe and Christine Brien from the Rhode Island Department of Transportation; and Michael Clifford from DGT Survey Engineering Group.

Chairman Flynn noted for the record that the State Properties Committee did have a quorum present.

A motion was made to approve the regular minutes from the State Properties Committee meeting held on July 7, 2009, by Mr. Pagliarini and seconded by Mr. Kay.

**Passed Unanimously**

**OLD BUSINESS – Department of Transportation – A request was made for approval of and signatures on three (3) Subordination of**

Easement documents by and between the Department of Transportation and Guardian Trust, an Access Agreement by and between the Department of Transportation and Conopco, Inc. and a Declaration of Covenants and Environmental Protection Conservation Easement relative to the Peterson Puritan Superfund Site clean-up. Mr. Mitchell indicated that this request was previously presented to the State Properties Committee on April 14, 2009, by Annette Jacques of the Department of Transportation. It is Mr. Mitchell's understanding that at that time, the Committee elected to withhold its approval of the Subordination of Easement documents and the Access Agreement until such time as the Declaration of Covenants and Environmental Protection Conservation Easement was properly submitted and posted on the State Properties Committee's agenda. Mr. Mitchell explained that unfortunately, the wrong document had been submitted to the Committee for the April 14, 2000 meeting. Mr. Mitchell stated that since that time, the correct document has been reviewed by the Department of Attorney General and submitted to the Committee for inclusion on its agenda. Mr. Kay asked Mr. Mancini to clarify why as the Town of Lincoln was a party to the original lawsuit in this matter, the Town is not named on any of the documents before the Committee today. Mr. Mancini explained that the Superfund Site is divided by operative units. The section that is currently being reviewed consists of four (4) properties, which comprises Operative Unit I. Mr. Mancini explained that said unit of the Superfund Site is ready for the institutional controls, which includes the recording of the documents before the Committee. The unit, which includes the

**Town of Lincoln, is Operative Unit II, which will be the next phase of the remediation process. Chairman Flynn asked if Ms. Urso has had an opportunity to review the documents. Ms. Urso stated that she has in fact reviewed said documents and has also spoken to Mr. Woolley who has reviewed the documents several times. Ms. Urso stated that the Department of Attorney General is satisfied with each of the document as to form. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Griffith.**

**Passed Unanimously**

**ITEM A – Rhode Island State Police – A request was made for final approval of and signatures on a Letter of Authorization by and between the Rhode Island State Police and Valley Affordable Housing. Mr. Ryan indicated that he and Ms. Holley are before the Committee seeking final approval of the Letter of Authorization, which will allow DiPrete Engineering, on behalf of Valley Affordable Housing, to conduct site soil evaluations to determine the feasibility of developing affordable housing on the site. Chairman Flynn noted that there are some challenges in terms high groundwater associated with said site. Mr. Pagliarini asked if said evaluation is a condition of the purchase and sale agreement. Mr. Ryan indicated that as this transaction is in the preliminary stage, there is no purchase and sale contract at this time. Mr. Pagliarini indicated that it is his understanding that Rhode Island Housing is the entity interested in purchasing the subject property; he asked how Valley Affordable Housing became involved. Mr. Ryan clarified that Rhode Island Housing will purchase the property; however, Valley Affordable**

Housing is an interested party in terms of developing the site for affordable housing. Mr. Ryan indicated that before making any commitment, Valley Affordable Housing wants to determine the sites suitability for the development of affordable housing. Chairman Flynn explained that Rhode Island Housing, as a State-agency, has exercised its right to notify the Rhode Island State Police of its interest in the subject property as a result of the State Properties Committee's circulation of the surplus property package; however, in this case, Rhode Island Housing will not be the direct developer of the affordable housing project. Rhode Island Housing will work with a private non-profit developer to facilitate the development of affordable housing on the site. The purpose of the Letter of Authorization is to allow the private non-profit developer to conduct due diligence to determine whether it is feasible to develop the site for affordable housing. A motion to approve was made by Mr. Griffith and seconded by Mr. Kay.

#### **Passed Unanimously**

ITEM B – Department of Administration – A request was made for final approval and signatures on a License Agreement by and between the Department of Administration and D.L. Saunders Real Estate Cooperation. Mr. Ryan indicated that the Department's original intent was to seek final approval of and signatures on the subject License Agreement; however, given the controversial history associated with previous transactions with D.L. Saunders Real Estate Cooperation, the Department is seeking only conceptual approval at this time. Mr. Ryan stated that the License Agreement will

allow D.L. Saunders Real Estate Corporation to utilize ten (10) parking spaces located within the Department of Administration's parking lot. The terms and conditions of said License Agreement are extremely flexible. Mr. Ryan explained that in the event parking spaces within the outside lot become limited, the Agreement includes a provision that allows the Department to exchange the outside parking spaces for spaces available within the parking garage. Further, in the event that there are not sufficient parking spaces available in both the outside lot and garage, the License Agreement can be terminated at will and without prior notice to the Licensee. Mr. Ryan indicated that Marco Schiappa of the Division of Facilities Management has gathered information, which identifies the total number of available parking spaces within the Capitol Hill complex as well as the total number of employees working on Capital Hill and he is confident that ten (10)

parking spaces can be licensed to D.L. Saunders Real Estate Corporation without adversely impacting Capitol Hill employees in terms of available parking. Chairman Flynn asked why D.L. Saunders Real Estate Corporation is seeking to utilize additional parking spaces within the Capitol Hill complex. Mr. Ryan explained that the One State Street building has always had an inadequate number of available parking spaces to accommodate its tenants. Mr. Ryan noted that the lack of available parking was one of the primary reasons D.L. Saunders Real Estate Corporation purchased the State-owned triangular parcel of land last year. Mr. Ryan noted that the Department of Administration believes it can accommodate D.L.

**Saunders Real Estate Corporation's request and generate additional income for the State. Chairman Flynn asked whether the license fee will increase if parking spaces in the parking garage were substituted for the surface spaces. Mr. Ryan indicated that the fee for surface parking is assessed at \$135.00 per parking space; the fee per space in the parking garage is \$152.00, based upon comparable rental fees in the immediate area. Mr. Kay asked if the tenants of One State Street will be issued parking passes to access the parking lot or garage. Mr. Ryan explained that the Division of Facilities Management will issue parking passes to the One State Street tenants; however, said passes will be cancelled simultaneously with the termination of the License Agreement. Mr. Ryan noted that the Agreement contains language specifically addressing that issue. Mr. Pagliarini indicated that he does not agree that there is any surplus parking on Capitol Hill and therefore, will not support any motion to approve the subject License Agreement. Mr. Ryan reiterated that under the terms and condition of the License Agreement, if the Department determines it can no longer accommodate D.L. Saunders Real Estate Corporation's request, the License Agreement can be revoked, at will, with no prior notice to the Licensee. The existence of said language allows the Department to realize additional revenue, at no risk, for as long as the arrangement continues to benefit both the Department and the State of Rhode Island. Mr. Pagliarini stated that he believes the logic associated with this transaction is flawed and does not believe it is the best interest of the State of Rhode Island. Mr. Pagliarini reiterated that he will not support any request to license**

**parking spaces on Capitol Hill. Mr. Kay clarified that the Department is seeking conceptual approval at this time. A motion was made to grant conceptual approval by Mr. Griffith and seconded by Mr. Kay. Said motion passed four (4) votes “Aye” to one (1) vote “Nay”**

**Four (4) Votes “Aye”**

**Mr. Griffith**

**Mr. Kay**

**Ms. Urso**

**Chairman Flynn**

**One (1) Vote “Nay”**

**Mr. Pagliarini**

**ITEM C – Department of Transportation – A request was made for approval of**

**and signatures on a Site License Agreement by and between Omnipoint Holding, Inc.**

**d/b/a T-Mobile Northeast, Inc. and Metro PCS, LLC, to allow Metro PCS, LLC to co-locate on Site 4FR 4014-C Spencer Hill in the City of Warwick. Mr. Jackson noted the posting of this item on the State Properties Committee was not entirely correct. Mr. Jackson clarified the request before the Committee. Mr. Jackson presented a map of the Spencer Hill site to the Committee and explained the placement of the various communications equipment on the leased area. Mr.**

**Griffith asked what the monthly license fee is. Mr. Jackson stated that the monthly license fee is \$675.00 per month for a total of \$8,100.00 per year. Mr. Griffith asked if the revenue realized from said License Agreement is allocated back to the Department of Transportation or to the General Fund. Mr. Jackson stated that said revenue is allocated to the Transportation Fund to be utilized for matching federal funds. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Griffith. Said motion passed four (4) votes “Aye” to one (1) vote “Nay.”**

**Four (4) Votes “Aye”**

**Mr. Griffith**

**Mr. Pagliarini                      Ms. Urso**

**Chairman Flynn**

**One (1) Vote “Nay”**

**Mr. Kay**

**ITEM D – Department of Transportation – A request for final approval to advertise a Request for Proposals to solicit bids for the sale of 72,224 square feet of land together with a replacement Park-n-Ride located within close proximity to the confluence of Route 102 (Ten Rod Road) and Route 2 (Quaker Lane) in the Town of North Kingstown. This item is deferred to the August 4, 2009, meeting of the State Properties Committee.**

**The Committee moves to go into Executive Session, pursuant to**



**Rhode Island General Law 42-46-5(a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purpose, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.**

**A motion was made to enter into Executive Session by Mr. Griffith and seconded by Mr. Pagliarini: A roll call vote was taken and the votes were as follows: Mr. Griffith voted “Aye”, Mr. Pagliarini voted “Aye”, Ms. Urso voted “Aye” and Chairman Flynn voted “Aye”.**

**The State Properties Committee closed the Executive Session and returned to**

**the open session of the meeting at 10:31 a.m.**

**A motion to seal the minutes of the Executive Session until such time as the matter is resolved was made by Mr. Griffith and Seconded by Mr. Pagliarini.**

**Passed Unanimously**

**ITEM E1 – Department of Transportation – A request was made for approval to proceed with the acquisition of land in connection with the Freight Rail Improvement Project, located at Wellington Avenue Railroad Bridge in the City of Warwick. After discussion in Executive Session, a motion was made to approve by Mr. Griffith and seconded by Mr. Pagliarini.**

**Passed Unanimously**

**There being no further business to come before the State Properties**

**Committee, the meeting was adjourned at 10:32 a.m. A motion was made to adjourn by Mr. Pagliarini and seconded by Mr. Griffith. Passed Unanimously**

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**Holly H. Rhodes, Executive Secretary**